

EXHIBIT 1

BakerHostetler

Baker&Hostetler LLP

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March 29, 2018

VIA E-MAIL

Helen Davis Chaitman
Chaitman LLP
465 Park Avenue
New York, New York 10022

Re: *SIPC v. BLMIS*, Adv. No. 08-1789 (SMB) (Bankr. S.D.N.Y.); Profit Withdrawal
Litigation

Dear Ms. Chaitman:

We have reviewed the declaration filed on March 22, 2018 in support of Mr. Aaron Blecker's Proposed Findings of Fact and Conclusions of Law with regard to the Profit Withdrawal litigation. ECF No. 17398. Based on the numerous errors of fact described below, the Trustee requests that you immediately withdraw the declaration.

In paragraph 7, you state that "the Trustee has never supplied any document that would provide an entire history of the Bleckers' various accounts from 1981 on. To the best of my recollection, there is also no document that supplies Bates numbers cataloging all of the Bleckers' account statements, showing corresponding dates."

This is false. On December 17, 2015, the Trustee served you with the principal balance calculations for all accounts participating in the Profit Withdrawal litigation, as well as any accounts that made or received inter-account transfers from those accounts. *See* December 17, 2015 Supplemental Expert Report of Matthew B. Greenblatt, Ex. 14; *see also* December 17, 2015 Email transmitting Supplemental Expert Reports. These principal balance calculations contain columns that list the Bates numbers for each account statement referenced thereon. This filing included principal balance calculations for Mr. Blecker's accounts and the account, 100124, that made an inter-account transfer into Mr. Blecker's account 1B0023. *See* Ex. 14, pp. 1-32.

In addition, 208 principal balance calculations were served on you again on September 30, 2016, which was the initial deadline to exchange proposed trial exhibits (bearing proposed exhibit numbers 24.1-24.208). *See* September 30, 2016 E-mail from Amanda Fein serving

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Helen Davis Chaitman
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Trustee's Pre-Hearing Disclosures. And on January 5, 2018, the Trustee served on you as final trial exhibits the principal balance calculations for Mr. Blecker's four accounts at issue at trial. *See* TX086, TX091, TX092, and TX093.

In paragraph 11, you state that the earliest statement produced to you for Account 100215 (the predecessor account to 1B0023) is dated July 29, 1983. This is false. On July 8, 2014, the Trustee produced to you all available account statements for 1B0023, including those of the predecessor account 100215, for the period March 31, 1981 through April 30, 1997. *See* July 8, 2014 correspondence and Trustee's Responses and Objections to Aaron Blecker's Requests for the Production of Documents dated June 20, 2014. The July 8, 2014 production was re-produced to you on April 21, 2016 at your request. *See* April 21, 2016 Letter from Nkosi Shields to Jennifer Allim of Chaitman LLP.

In paragraph 12, you state that only five account statements were produced for "Account 100254-9" (the predecessor account for 1B0022). On July 8, 2014, the Trustee produced to you all available account statements for 1B0022, including those of the predecessor account 100254. That production included 141 customer statements—79 reflecting account number 100254, and 62 reflecting account number 1B0022. These statements cover the period September 30, 1986 (the date 1B0022 was opened) through April 30, 1997 and are inclusive of the statements bearing dash 1 and dash 9. Again, the July 8, 2014 production was re-produced to you on April 21, 2016 at your request.

In paragraph 13, you state that only five account statements were produced for "Account 100215-9" (the predecessor account for 1B0023). On July 8, 2014, the Trustee produced to you all available account statements for 1B0023, including those of the predecessor accounts 100215 and 100214. That production included 214 statements—28 reflecting account number 100214, 124 reflecting account number 100215, and 62 reflecting 1B0023. These statements cover the period March 31, 1981 through April 30, 1997 and are inclusive of those statements bearing dash 1 and dash 9. Again, the July 8, 2014 production was re-produced to you on April 21, 2016 at your request.

Based on the BLMIS books and records, Accounts 100254 and 100215 had activity in their dash 9 subaccounts for the periods of August 1990 through October 1990 and November 1991 through December 1991. The dash 9 subaccount did not appear to have activity during other time periods. As such, the Trustee has produced all available account statements for 1B0022 and its predecessor account 100254, and 1B0023 and its predecessor accounts 100214 and 100215, including all available account statements showing the subaccounts for dash 1 and dash 9.

In paragraph 15, you state that "complete records for the A&A account have not been produced," referring to Account 100124 that made an inter-account transfer into Mr. Blecker's 1B0023 account. This is false. The Trustee produced customer statements, the customer file, PMRs and PMTs for the A&A account to you on May 14, 2014, June 3, 2014, and supplemented

Helen Davis Chaitman
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those productions on September 11, 2015. *See* September 11, 2015 Letter from Nkosi Shields, Ex. D. In addition, the September 11, 2015 production was provided to you again on December 4, 2015, and the June 3, 2014 production was provided to you again on April 21, 2016. In addition, the principal balance calculation for Account 100124 was served on you on December 17, 2015, and served on you again on September 30, 2016, which was the initial deadline to exchange exhibits for trial.

I am enclosing the cover letters that accompanied each of these productions.

On the basis of the foregoing, the Trustee requests that you immediately withdraw the declaration. Please let us know your position on this request no later than close of business on March 30, 2018.

Sincerely,

/s/ Seanna R. Brown

Seanna R. Brown
Partner

cc: Amy Vanderwal

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May 14, 2014

VIA FEDEX

Helen Davis Chaitman
Becker & Poliakoff
45 Broadway, 8th Floor
New York, New York 10006

Re: Inter-Account Transfer Discovery

Dear Helen:


We are in receipt of your executed copy of the Litigation Protection Order ("LPO") received via electronic mail yesterday.

Accordingly, enclosed please find four CDs and one portable drive containing the third and final production of documents in response to your Request For Documents To The Trustee By The Claimants, dated April 4, 2014 (the "Requests").

Please note that pursuant to LPO, any customer account documents produced to the Claimants in connection with the Requests have **not** been redacted for personal identifying information ("PII"). Pursuant to the LPO and applicable laws, the Claimants are obligated to redact PII should these documents be used/disclosed in this proceeding.

The production is encrypted using Winzip software, and the password will be provided to you via email. Please do not hesitate to contact me if you have any questions.

Sincerely,



Bik Cheema
Associate

Enclosures

Atlanta Chicago Cincinnati Cleveland Columbus Costa Mesa Denver
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June 3, 2014

VIA FEDEX

Helen Davis Chaitman
Becker & Poliakoff
45 Broadway, 8th Floor
New York, New York 10006

Re: Inter-Account Transfer Discovery

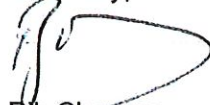
Dear Helen:

As requested by your office on May 19, 2014, we have now converted the entire production of 120,000 documents (~267,000 pages) that was previously provided to you in pdf format on May 14, 2014 to Relativity load files and hereby enclose one portable drive containing the final production of documents in response to your Request For Documents To The Trustee By The Claimants, dated April 4, 2014 (the "Requests").

Please note that pursuant to LPO, any customer account documents produced to the Claimants in connection with the Requests have **not** been redacted for personal identifying information ("PII"). Pursuant to the LPO and applicable laws, the Claimants are obligated to redact PII should these documents be used/disclosed in this proceeding.

The production is encrypted using Winzip software, and the password will be provided to you via email. Please do not hesitate to contact me if you have any questions.

Sincerely,



Bik Cheema
Associate

Enclosure

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Nkosi D. Shields
direct dial: 212.589.4296
nshields@bakerlaw.com

September 11, 2015

SENT VIA E-MAIL AND FEDERAL EXPRESS

Helen Chaitman
Becker & Poliakoff
45 Broadway, 8th Floor
New York, NY 10006

Re: *Securities Investor Protection Corporation v. Bernard L. Madoff Investment Securities LLC*, Adv. Pro. No. 08-01789 (SMB)

Dear Counsel:

We represent Irving H. Picard (the "Trustee"), as Trustee for the liquidation of the business of Bernard L. Madoff Investment Securities LLC ("BLMIS") under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa *et seq.*, and the substantively consolidated estate of Bernard L. Madoff.

Enclosed please find a hard drive of documents produced in response to the request served on the Trustee in accordance with the Order Establishing a Schedule for Limited Discovery and Briefing on the Profit Withdrawal Issue, dated June 24, 2015 (the "Profit Withdrawal Scheduling Order"), ECF No. 10266. These documents include customer files, BLMIS customer monthly statements, portfolio management reports, and portfolio management transaction reports the relevant BLMIS accounts (the "BLMIS Account Documents").

Attached hereto as Exhibit A is a list of accounts for which documents were requested by Becker & Poliakoff relating to the profit withdrawal issue. Certain of the accounts requested by Becker & Poliakoff appeared to have incorrect account numbers that transposed numbers and letters. Attached hereto as Exhibit B is a list of the accounts requested by Becker & Poliakoff that appear to have transposed account numbers and the correlated corrected BLMIS account number. The Trustee construed the request from Becker & Poliakoff as a request for documents relating to the corrected BLMIS account numbers as listed in Exhibit B.

In certain instances, the BLMIS Account Documents were previously produced during the litigation of an adversary proceeding or in a prior claims matter with the Trustee. To the extent your request seeks documents that have already been produced, a duplicate production is not being made herein. On June 3, 2014 and July 8, 2014, BLMIS Account Documents were

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Helen Chaitman
September 11, 2015
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produced for the accountholders identified on Exhibit C attached hereto. Additionally, IRS Form 1099s were produced for accounts 1B0022, 1B0023, 1B0156 and 1B0157 on **February 23, 2015**.

This production will also include supplemental customer files, BLMIS customer monthly statements, portfolio management reports, and portfolio management transaction reports for certain BLMIS accounts that were inadvertently not produced by the Trustee at the time the June 3, 2014 and July 8, 2014 productions were made to Becker & Poliakoff. The supplemental productions are being made for the BLMIS accounts identified on Exhibit D.

As stated in paragraph 3 of the Profit Withdrawal Scheduling Order, if an accountholder did not file a claim, the accountholder is not entitled to documents from the Trustee as part of the litigation of the Profit Withdrawal issue. Thus, this production does not include documents for accountholders that did not file a claim. The accountholders whose information you requested that did not file claims are identified on Exhibit E.

Thus, the Trustee is producing BLMIS Account Documents and other materials related to the Profit Withdrawal Issue for the accounts listed on Exhibit F, in addition to the supplemental productions for the accounts identified on Exhibit D. The production consists of or reflects documents and/or information obtained from BLMIS records.

Under paragraph 4(a) of the Profit Withdrawal Scheduling Order, the hard drive also contains schedules that provide line-item detail regarding, *inter alia*, profit withdrawal transactions and inter-account transfers between related accounts. Please note that the final net equity balances of BLMIS accounts listed on Exhibit G are impacted by the profit withdrawal transactions in related accounts. The final net equity balances of BLMIS accounts listed on Exhibit H are not impacted by profit withdrawal transactions in related accounts. To the extent that your clients elect by October 2, 2015 to participate further in the litigation on the profit withdrawal issue, the Trustee may issue supplemental expert reports in accordance with the Profit Withdrawal Scheduling Order that set forth the calculations of the final principal balances of the BLMIS accounts at issue and any impact of profit withdrawal transactions on those balances.

Please further note that these documents have not been redacted for personally identifiable information ("PII"). Becker & Poliakoff is obligated to redact PII should these documents be used/disclosed in this or any other proceeding.

The production is encrypted and the password will be provided to counsel via email. Please do not hesitate to contact me if you have any questions.

Helen Chaitman
September 11, 2015
Page 3

Sincerely,

A handwritten signature in black ink, appearing to read "Nkosi Shields". The signature is written in a cursive, flowing style.

Nkosi Shields

cc: Seanna R. Brown

Enclosures

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direct dial: 212.589.4296
nshields@bakerlaw.com

December 4, 2015

VIA FEDERAL EXPRESS

Helen Davis Chaitman
Chaitman LLP
465 Park Avenue
New York, NY 10022

Re: *Securities Investor Protection Corporation v. Bernard L. Madoff Investment Securities LLC*, Adv. Pro. No. 08-01789 (SMB)

Dear Ms. Chaitman:

As referenced in my letter of November 13, 2015, please find enclosed two hard drives of documents relating to the profit withdrawal motion. Specifically, we are re-producing our production of September 11, 2015 of 17,836 non-confidential documents upon which our experts relied. We are also making a supplemental production of 87,067 non-confidential documents upon which our experts relied.¹ These two productions contain all non-confidential documents which the Trustee's experts considered that are not in E-Data Room 1.

The hard drives are encrypted with Truecrypt. On the hard drive you will find the Truecrypt program and instructions for use. The password will be provided to you via email.

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Nkosi Shields

Enclosures

¹ Please note that the November 13, 2015 letter referenced a supplemental production of 87,760 documents. This number was transposed. The correct number of documents in the supplemental production is 87,067.

From: [Roberts, Sarah](#)
To: hchaitman@chaitmanllp.com; [Leslie Treff](#); [Clinton, Laura K](#); Richard.Kirby@bakermckenzie.com
Cc: [Vanderwal, Amy E.](#); [Brown, Seanna R.](#)
Subject: Securities Investor Protection Corporation v. Bernard L. Madoff Investment Securities, LLC. et al, Adv. Pro. No. 08-01789 (SMB)
Date: Thursday, December 17, 2015 4:47:13 PM
Attachments: [image001.gif](#)
[08-01789 Supplemental Expert Report of Lisa M. Collura - PW Transactions - 12.17.2015.pdf](#)
[08-01789 Expert Supplemental Report of Matthew Greenblatt - PW Transactions 12 17 15.pdf](#)

We are counsel to Irving H. Picard, Esq., Trustee for the substantively consolidated SIPA liquidation proceedings of Bernard L. Madoff Investment Securities LLC and Estate of Bernard L. Madoff.

Attached for service are:

- Supplemental Expert Report of Lisa M. Collura regarding the Profit Withdrawal Transactions
- Supplemental Expert Report of Matthew B. Greenblatt regarding the Profit Withdrawal Transactions

Due to their size, the exhibits to these documents have been uploaded to this Download URL:

Download URL:

<https://ftp.bakerlaw.com>

Username: SUJTPQDARQ

Password: kbdWh4K7


The login above will expire on 12/24/2015 12:00:00 AM

Web site

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Jennifer Allim
Chaitman LLP
465 Park Avenue
New York, New York 10022

Dear Counsel:

As requested by your office on April 12, 2016, the Trustee is reproducing the June 3, 2014 and July 8, 2014 document productions. The June 3, 2014 reproduction is one portable drive which contains certain inter account transfer documents. The July 8, 2014 reproduction is one CD in response to your Request For Documents To The Trustee By Aaron Blecker, dated June 20, 2014.

Please note that these documents have not been redacted for personally identifiable information ("PII"). Chaitman LLP is obligated to redact PII should these documents be used/disclosed in this or any other proceeding.

The productions are encrypted and the passwords will be provided to counsel via email. Please do not hesitate to contact me should you have any questions.

Lastly, given that these productions were previously made to Ms. Chaitman and have now been misplaced, please provide any update on steps that have been taken to locate the productions, particularly, as the productions contain sensitive information including that of your client.

Jennifer Allim
April 21, 2016
Page 2

Sincerely,

/s/ Nkosi Shields

Nkosi Shields

cc: Seanna R. Brown
Amy E. Vanderwal

Enclosures

Ackerman, Stephanie

From: Fein, Amanda E.
Sent: Friday, September 30, 2016 7:12 PM
To: hchaitman@chaitmanllp.com; gdexter@chaitmanllp.com
Cc: Brown, Seanna R.; Vanderwal, Amy E.; 'kbell@sipc.org'
Subject: Trustee's Pre-Hearing Disclosures: Profit Withdrawal Evidentiary Hearing 08-01789 (SMB)
Attachments: 08-01789 Cover letter to Chaitman Prehearing Disclosures 9 30 2016.pdf; 2016 09 30 Trustee PW Prehearing Disclosures.pdf; Attachment A - Trustees Proposed Exhibits (2016.09.30).pdf; Attachment B - Trustees Deposition Designations (2016.09.30).pdf

Counsel:

Attached please find the Trustee's pre-hearing disclosures.

Best,

Amanda Fein

Amanda Fein
Associate

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BakerHostetler
EXPERIENCE FOR TOMORROW

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September 30, 2016

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VIA FEDEX

Helen Davis Chaitman, Esq.
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c/o Jennifer Allim
8543 169th Street
Jamaica, NY 11432

Re: SIPC v. BLMIS, Adv. Pro. No. 08-01789 (SMB) (Bankr. S.D.N.Y.); Profit Withdrawal
Litigation

Dear Counsel:

We are counsel to Irving H. Picard, Esq., Trustee for the substantively consolidated SIPA liquidation proceedings of Bernard L. Madoff Investment Securities LLC and Estate of Bernard L. Madoff.

Pursuant to the Stipulation and Order on Schedule for Litigation of and Evidentiary Hearing on Profit Withdrawal Issue entered on July 12, 2016, enclosed please find the Trustee's pre-hearing disclosures, including the Trustee's proposed trial exhibits, witness list, and deposition designations. We have also enclosed with this letter a hard drive containing copies of our proposed exhibits for your convenience. These files are password protected. You will receive the password required to access the documents contained on the drive via e-mail.

Please note that the Trustee's list of trial exhibits includes the August 19, 2016 letter of Mr. Gregory Dexter to the Honorable Stuart M. Bernstein and its accompanying exhibits ("Madoff Declaration Letter"). This letter and its exhibits were marked by Chaitman LLP as confidential, and were not included in the Trustee's pre-hearing disclosures sent today to Mr. Kirby. This letter serves as notice to you under Paragraph 9 of the Global Litigation Protective Order (ECF No. 4137) requesting that you de-designate the Madoff Declaration Letter and its exhibits as confidential.

Please further note that pursuant to Federal Rule of Civil Procedure 26(e), certain transactions referenced in the expert reports of Ms. Lisa Collura (issued July 14, 2015 and December 17,

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Helen Davis Chaitman
August 4, 2016
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2015) and Mr. Matthew Greenblatt (issued July 14, 2015, December 17, 2015, and June 3, 2016) have been updated. These transactions are included on several of the Trustee's proposed summary exhibits and are identified below by their unique transaction identification numbers and the summary exhibits on which the updated information appears:

<u>Proposed Exhibit Number(s)</u>	<u>Unique Identifier</u>	<u>Proposed Exhibit Number(s)</u>	<u>Unique Identifier</u>
7	16315	12	456289
7	47254	12	457848
7	93096	10, 12	467387
7	110827	10, 12	469255
7	115861	12, 17	473885
11	124346	10, 12	480034
11	131666	24-192	481119
11	131683	10, 12	490379
11	131988	24-125	492679
11	131995	12	508684
11	135363	10, 12	511483
11	135376	10, 12	515429
11	140507	12	525507
11	149877	10, 12	525974
11	158731	12	526169
11	158735	12	526170
7	176167	24-192	529697
7	195780	10, 12	535093
7	221149	12, 17	538968
11	221033	12	542079
7	232816	12	542632
7	245059	10, 12	548044
9	260295	10, 12	548441
7	274295	10, 12	548446
7	281044	10, 12	548448
7	283995	10, 12	548451
7	298365	10, 12	552964
7	301140	10, 12	552968
7	303033	24-125	554683
7	310524	24-125	554684
12, 17	419595	24-128	554699

Helen Davis Chaitman
August 4, 2016
Page 3

<u>Proposed Exhibit Number(s)</u>	<u>Unique Identifier</u>	<u>Proposed Exhibit Number(s)</u>	<u>Unique Identifier</u>
12	435450	12	577145
24-128	435488	24-192	614778
12, 17	436806	24-192	614779
12, 17	445464	24-192	614780
10	451822	24-192	614781
12, 17	454731	24-192	614782

Please further note that certain transactions referenced in the summary exhibit marked as Trustee's proposed exhibit 7-c, entitled "JPMC 703 Account Activity Multiple Transaction Detail," have been updated to reflect non-material clarifications as to the matching of various transactions. These clarifications do not involve Participating PW Accounts, nor do they impact the analyses conducted by either Mr. Greenblatt or Ms. Collura.

Sincerely,

/s/ Seanna R. Brown

Seanna R. Brown
Partner

Enclosures